

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6593

BILL NUMBER: SB 185

DATE PREPARED: Dec 5, 2001

BILL AMENDED:

SUBJECT: Fishing and Hunting Licenses for Veterans with Disabilities.

FISCAL ANALYST: Bernadette Bartlett

PHONE NUMBER: 232-9586

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 X FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that an Indiana resident who is a veteran with a service-connected disability is entitled to hunting and fishing licenses at no charge.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: This bill eliminates fees for military veterans with service-connected disabilities for resident yearly fishing, hunting, and combination fishing and hunting licenses. The Department of Veterans Affairs reports that there are approximately 43,486 veterans in Indiana who have service-related disabilities. Estimates of the number of veterans who fish and hunt in the following projections were calculated using the percentage of the state population that obtains licenses for these activities. The estimate of Indiana's total population of 6,000,000 was obtained from the U.S. Census Bureau as updated November 2001.

The Division of Fish and Wildlife of the Department of Natural Resources (DNR) reports that approximately 7% of Indiana's population purchase a license to fish. If the same percentage of veterans with service-connected disabilities obtain fishing licenses, 3,044 individuals would be eligible for a license without charge. However, individuals over the age of 65 are exempt from purchasing fishing licenses. The Department of Veterans Affairs estimates that 45% of Indiana's veterans are near, at, or over 65 years of age. Assuming that only the remaining 55% of veterans with service-connected disabilities must currently pay fishing licence fees, the number of veterans affected would be 1,674 (3,044 * 55%).

Fishing License Fee. This bill eliminates the yearly resident fishing license fee for qualifying veterans. The current fee is \$2.75. Revenue loss to the state from allowing qualified veterans to obtain fishing licenses without charge would equal the number of veterans affected multiplied by the revenue loss per license, or

\$4,604 (1,674 * \$2.75).

Loss of Federal Revenue from the Sale of Fishing Licenses. The state receives \$4.90 from the federal government for each fishing license sold. Estimated loss in federal revenue that would result from providing licenses to qualified individuals without charge is equal to \$8,202 (1,674 * \$4.90)

Hunting License Fee. The Division of Fish and Wildlife reports that approximately 77,000 resident yearly hunting-only licenses are sold annually. Given this total, roughly 1% of Indiana's population obtained a yearly hunting-only license. If the same percentage of veterans with service-connected disabilities obtain hunting licenses, 434 individuals would be eligible for a license at no charge. The current fee for a veteran with a service-connected disability is \$2.75. The annual revenue loss would be equal to the number of veterans affected multiplied by the revenue loss per license, or \$1,194 (434 * \$2.75).

Loss of Federal Revenue from the Sale of Hunting Licenses. The state receives \$8 from the federal government for each hunting license sold. Estimated loss in federal revenue that would result from providing licenses to qualified individuals without charge is equal to \$13,392 (1,674 * \$8).

Hunting and Fishing License Fee. The Division of Fish and Wildlife reports that 114,000 yearly resident licenses for both hunting and fishing are sold annually. Roughly 2% of Indiana's population obtained a license for both hunting and fishing. If the same percentage of veterans with service-connected disabilities obtain hunting licenses, 869 individuals would be eligible for licenses without charge. The fee for a hunting and fishing license is \$2.75. The annual revenue loss would be equal to the number of veterans affected multiplied by the revenue loss per license, or \$2,389 (869 * \$2.75).

Loss of Federal Revenue from the Sale of Hunting and Fishing Licenses The federal government would reimburse the state \$8 for the hunting portion of the license and \$4.90 for the fishing portion of the license, or \$12.90 per license. Multiplying the federal reimbursement rate times the number of estimated eligible veterans results in an estimated federal revenue loss of \$11,210 (869 * \$12.90).

Estimated Revenue Loss			
License	State Revenue	Federal Revenue	Total State & Federal Revenue Loss
Fishing	(\$4,604)	(\$8,202)	(\$12,806)
Hunting	(\$1,194)	(\$13,392)	(\$14,586)
Fishing & Hunting	(\$2,389)	(\$11,210)	(\$13,599)
Total	(\$8,187)	(\$32,804)	(\$40,991)

The total annual revenue loss from the above three affected categories of licenses is \$40,991. Revenues collected from fishing and hunting license fees are deposited in the Fish and Wildlife Fund. The operating budgets of the DNR's Division of Fish and Wildlife and the Division of Law Enforcement are funded through the Fish and Wildlife Fund. The proposal would decrease the amount of revenue in this fund by approximately \$40,991.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Natural Resources.

Local Agencies Affected:

Information Sources: John Brinkley, State Service Officer, Department of Veterans Affairs, (317) 232-3919; Ms. Every, Office of Veterans' Affairs (800) 827-1000; Division of Fish and Wildlife, DNR (317) 232-4080; <http://quickfacts.census.gov/qfd/states/18000.html>; <http://www.in.gov/dnr/fishwild/licenses/licfeeinfo.htm>.